

Motivations behind Prosocial Behavior: Evidence from the Philippines

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Abstract

What are the motivations behind seemingly prosocial behavior? Does altruism play a key role especially after a disaster? We address these questions by combining two datasets from a Filipino village affected by strong floods in 2012: satellite-based natural experimental data on damages caused by a natural hazard; and lab-in-the-field experimental data collected by incentivized dictator games. Since lab experiments have been conducted twice in 2014 and 2018, we can explore temporal as well as medium-term impacts of a disaster. We build a simple theory which allows us to interpret empirical findings using data from a dictator game. Three main findings emerged from our analysis. First, on average, senders in our dictator game transfer more money to a person affected by disaster losses than those who face no loss. This finding empirically supports the model of pure altruism especially in the aftermath of a disaster. Yet, this pattern decays over time, reflecting erosion of altruism in non-disaster environment. Second, the results on own damages are consistent with the theoretical prediction of pure altruism as well as warm-glow giving. Comparisons of results using data from two waves, one from 2014 and the other from 2018, show overall erosion of altruism and warm-glow. Finally, as a byproduct, our estimation result is consistent with the zero prudence coefficient of [Kimball \(1990\)](#) or the negligible third derivatives (NTD) of [Barseghyan et al. \(2018\)](#) in utility function under the additive separability assumption.

Keywords: Natural Disaster, Altruism, Warm glow, Dictator Game, Natural Experiment

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